

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ADJUSTMENT OF RATES OF)	
AUXIER ROAD GAS COMPANY, INC.)	CASE NO. 10288-PP

ORDER

On April 10, 1991, in Case Nos. 10288-D and 10288-E, the Commission approved the Gas Cost Adjustment ("GCA") Clause of Auxier Road Gas Company, Inc. ("Auxier") allowing for the quarterly adjustment of its rates.

On February 28, 2001, Auxier filed its GCA to become effective from April 1, 2001 to June 30, 2001.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. In its notice of February 28, 2001, Auxier proposed revised rates designed to pass on to its customers its expected wholesale decrease in gas costs. Auxier's proposed expected gas cost ("EGC") is \$4.5779 per Mcf, 67.25 cents per Mcf less than the prior EGC of \$5.2504.

2. Auxier's notice set out no refund adjustment.

3. Auxier's notice set out a current quarter actual adjustment ("AA") of (59.45) cents per Mcf to reconcile gas cost from October, November and December 2000. The total AA of (84.96) cents per Mcf reflects the current over-recovery as well as under- and over-recoveries from previous quarters. The total AA represents a decrease of 49.65 cents per Mcf from the total AA previously in effect.

4. Auxier's notice set out a current quarter balance adjustment ("BA") of .2 cent per Mcf. The total BA of .7 cent per Mcf is composed of the current and previous quarter BAs, and represents no change from the total BA previously in effect.

5. These adjustments produce a gas cost recovery rate of \$3.7353 per Mcf, a decrease of \$1.1690 per Mcf from the prior rate of \$4.9043 per Mcf.

6. The rate adjustment in the Appendix to this Order is fair, just and reasonable, in the public interest, and should be approved for service rendered on and after April 1, 2001.

IT IS THEREFORE ORDERED that:

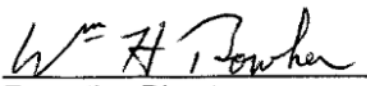
1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable, and are effective for service rendered on and after April 1, 2001.

2. Within 30 days of the date of this Order, Auxier shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 28th day of March, 2001.

By the Commission

ATTEST:

Deputy 
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 10288-PP DATED MARCH 28, 2001

The following rates and charges are prescribed for the customers served by Auxier Road Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain in effect under authority of this Commission prior to the effective date of this Order.

RATES:

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
First Mcf (Minimum Bill)	\$5.11	\$3.7353	\$ 8.8453
All Over 1 Mcf	4.2599	3.7353	\$ 7.9952